

# People & Money

## The trends shaping investing in the UK

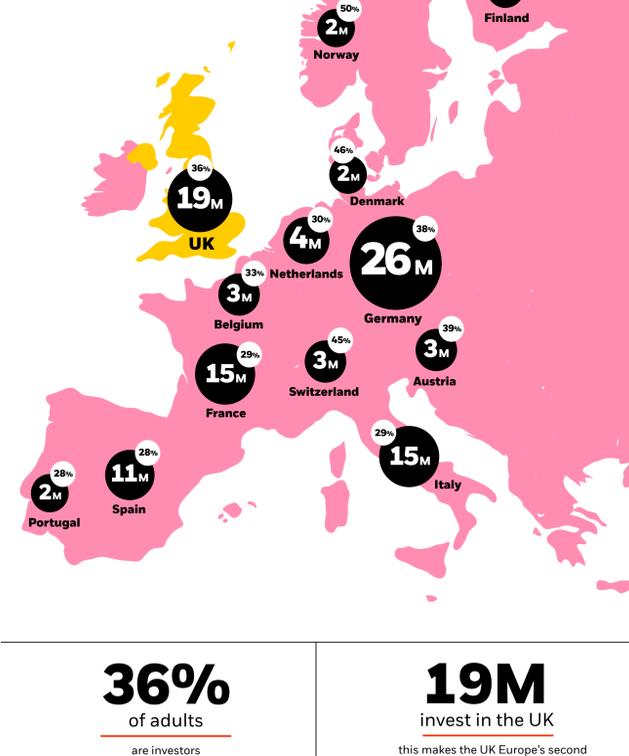
**October 2024**

Building on our 2022 survey which explored the next wave of ETF investors in Europe, we teamed up with YouGov once more to better understand the trends shaping the present and future of investing across the region. This year, we spoke to 36,730 people across 14 European markets (5,040 in the UK) and compared this data to our previous study to identify trends shaping investing in Europe.

**Source:** BlackRock People & Money/YouGov Plc. All figures, unless stated otherwise, are from YouGov Plc. Sample size: 36,730 adults across Austria, Belgium, Denmark, Finland, France, Germany, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and UK (any references to Europe in this report refer to these 14 markets). Fieldwork was undertaken between 15th March - 10th May 2024. The survey was carried out online. Figures given an even weighting to produce an 'average' value. All calculations conducted by BlackRock. 2022 data refers to the previous 'Next wave of ETF investors' survey conducted by YouGov Plc between 12 August 2022 and 8 February 2023. Population figures are based on United Nations 2024 and 2022 Revisions of World Population Prospects report (18+ adults). The content and assumptions in this report are based on data derived directly from these surveys.

**Definition of an investor within this report:** A respondent who currently has any of the following investment products: stocks and shares, investment/mutual fund (e.g. single strategy fund or multi-asset fund, etc.), bonds (e.g. Government or corporate bonds), exchange traded funds (ETFs), managed investment portfolio by a digital investment platform/robo adviser, crowd funding/venture capital or cryptocurrency.

## 1 Investing in the UK today



**36%** of adults are investors in the UK

**19M** invest in the UK  
this makes the UK Europe's second largest investor market, after Germany

## Over 3.5M new UK investors, up +21% since 2022

**Number of new investors & relative change since 2022, by market (ranked by volume of new investors)**

Country	Investors	Relative change since 2022
UK	3,523,320	+21%
Germany	3,204,021	+14%
France	2,158,024	+16%
Spain	690,031	+6%
Netherlands	408,780	+10%
Switzerland	365,556	+11%
Austria	317,707	+12%
Sweden	299,826	+5%
Norway	194,242	+8%
Denmark	188,154	+8%
Belgium	112,181	+3%
Finland	(111,188)	-6%
Italy	(158,121)	-1%
Portugal	(326,752)	-12%

## The growth in the number of investors in the UK has been driven by women and 25-34s

Since 2022, the number of people investing in the UK has risen across all demographic groups, led by women and those aged 25-34.

Our latest study reveals a 32% surge in women investing, vs. just 14% among men, relative to 2022.

29% of women across the UK currently invest in some way.

The rise in the number of people investing in the UK has also been driven by a 30% rise in the number 25-34-year-olds investing.

## % of UK adults investing by demographic & relative change since 2022



## 2 Barriers to investing

### Those not investing are held back by a perceived lack of money

**Reasons for not investing (% of non-investors), UK**



Among UK adults not investing, a **perceived lack of money** is the primary barrier to investing, cited by 70% of UK adults, higher than the European average of 65%.

Over a third of non-investors in the UK (33%) cite a **lack of knowledge and understanding**<sup>1</sup> of investment as reasons why they do not invest.

There is a significant **opportunity to educate and build investment knowledge and confidence among younger generations**: 51% of 18-34s who are not currently investing feel that they do not know how to invest, what the benefits are, what to invest in or how to get started, compared to 27% amongst over 35s. Conversely, over 35-year-olds are much more likely to cite a lack of money for not investing compared to 18-34s (77% vs 54%).

### Reasons for not investing by age group (% of non-investors), UK

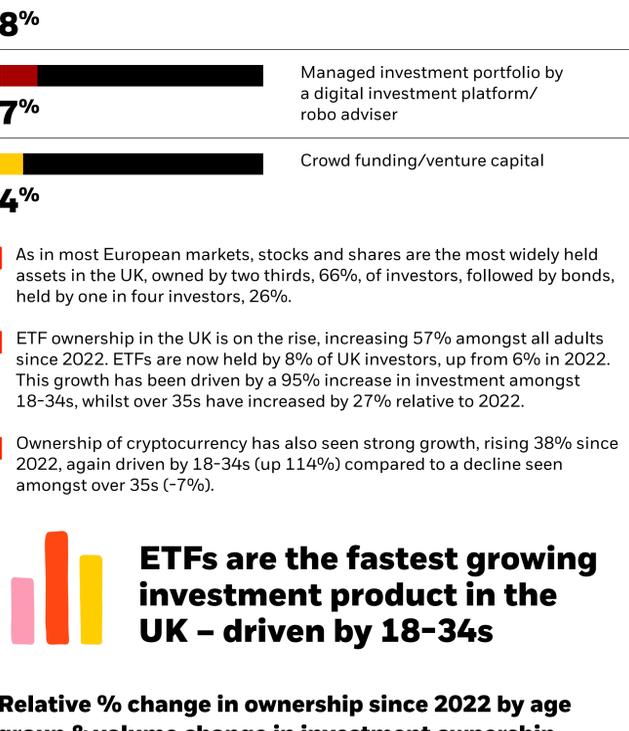


<sup>1</sup> Lack of knowledge/understanding = Any of the following responses: I do not have enough knowledge of what to invest in, I do not know how to invest, I do not know where to get started, I do not know what the benefits are.

## 3 Product ownership today

### Stocks and shares remain the most widely held investment product but ETFs are the UK's fastest growing investment product

**% of UK investors currently holding each investment product**



As in most European markets, stocks and shares are the most widely held assets in the UK, owned by two thirds, 66%, of investors, followed by bonds, held by one in four investors, 26%.

ETF ownership in the UK is on the rise, increasing 57% amongst all adults since 2022. ETFs are now held by 8% of UK investors, up from 6% in 2022. This growth has been driven by a 95% increase in investment amongst 18-34s, whilst over 35s have increased by 27% relative to 2022.

Ownership of cryptocurrency has also seen strong growth, rising 38% since 2022, again driven by 18-34s (up 114%) compared to a decline seen amongst over 35s (-7%).

### ETFs are the fastest growing investment product in the UK - driven by 18-34s

**Relative % change in ownership since 2022 by age group & volume change in investment ownership (all adults), UK**



# 4 ETF Spotlight



**1.6M UK investors hold ETFs – up 57% since 2022**

**Number of ETF investors & % of investors who own ETFs**



**57%**

relative growth amongst all adults since 2022 (highest market)

**3rd**

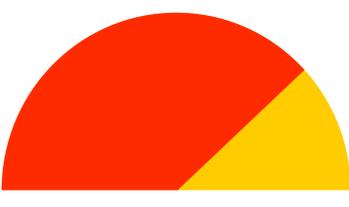
largest market for volume of ETF investors

**+80%**

18-34s are 80% more likely to hold ETFs than older counterparts (15% vs 5.5% for over 35s)



**UK ETF investors lead Europe on digital access**



**87%** of ETF investors

across the UK access ETFs through a digital platform<sup>2</sup>

The UK's adoption rate for digital ETF access is the highest in Europe, alongside Portugal, far ahead of an average 75% digital adoption rate across Europe.

87% of UK ETF investors access funds via an online investment broker, their bank's online investment platform, or a robo adviser.

ETF investors in the UK are significantly less likely than their European counterparts to use an adviser at their bank to buy and sell ETFs (11% vs 21% European average).

<sup>2</sup> Digital platform/investing = any of the following; access ETFs via an online investment platform/broker, their bank's online investment platform, or a robo adviser.

# 5 Investing intent in the next 12 months

In this section any forward-looking statements/estimates may not come to pass.



**UK investors are confident in the near-term outlook**

**17%**

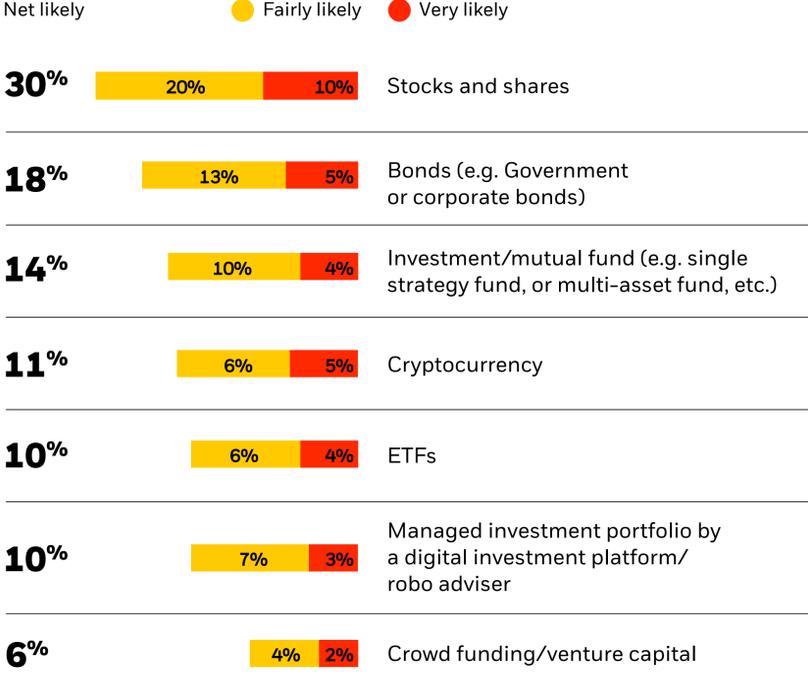
of consumers are very likely to start investing, or invest more, in the next 12 months (equivalent to 9M adults)

Nearly a fifth, 17%, of UK adults are very likely to start or increase their investment over the next 12 months, slightly behind the European average of 19%.

Interest in stocks and shares remains high in the UK, with 10% of adults saying they are very likely to start investing or invest more in them over the next 12 months - significantly higher than the average across Europe, 9%.

Among those not currently holding ETFs, 2.4% are very likely to invest in ETFs in the next year, equivalent to a potential 1.3 million new ETF investors.

**Likelihood to invest in next 12 months, UK (ranked by net likely)**

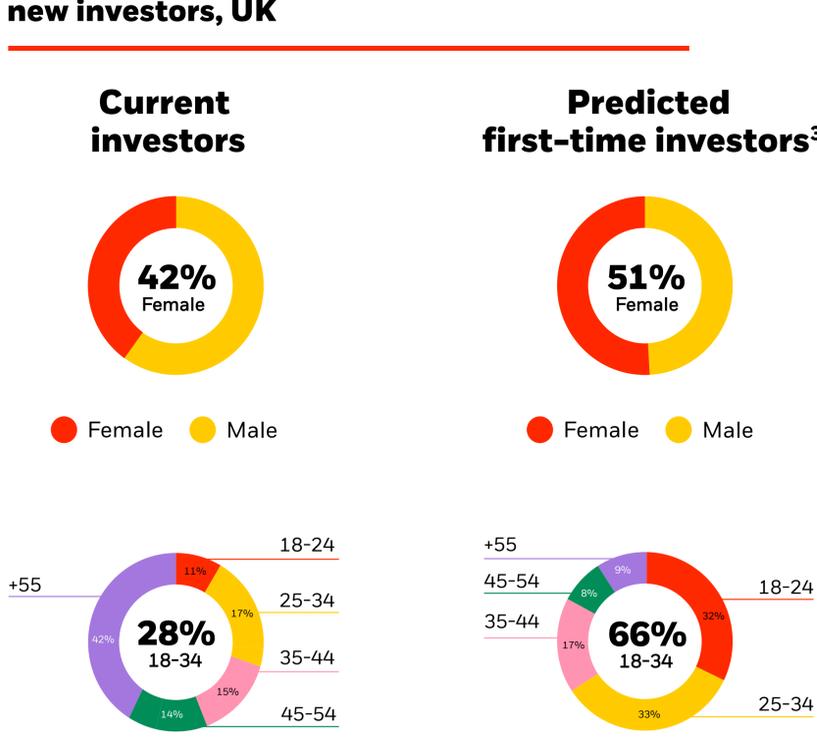


**1.8M**

Among the 9 million adults planning to invest or increase their investments in the next 12 months, 1.8 million (20%) currently do not hold any investment products

**Young and female investors predicted to lead the next wave of first-time investors<sup>3</sup>**

**Demographic profile of current and predicted new investors, UK**



**1.3M first time ETF investors<sup>4</sup> predicted in the UK over next 12 months**

**490K**

Among the 1.3 million predicted new ETF investors, 490,000 currently have no other investments, accounting for 27% of the predicted 1.8M new first-time investors in the previous section

**Number of predicted new ETF investors in next 12 months & relative change, by market (ranked by volume of predicted new ETF investors)**

Country	Number of Investors	Relative Change
Germany	2,177,392	+21%
France	1,357,919	+110%
UK	1,256,375	+78%
Italy	764,234	+35%
Spain	726,116	+49%
Portugal	305,480	+54%
Netherlands	281,495	+28%
Switzerland	265,878	+28%
Austria	207,409	+28%
Belgium	204,613	+40%
Sweden	194,453	+16%
Denmark	91,221	+40%
Norway	85,584	+24%
Finland	74,349	+18%

<sup>3</sup> Predicted first-time investors = current non-investors who select very likely to start investing in any investment product in next 12 months.

<sup>4</sup> Predicted new ETF investors = non-current ETF holders selecting very likely to start investing/invest more in ETFs in next 12 months.

## **Risk Warnings**

Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy.

Changes in the rates of exchange between currencies may cause the value of investments to diminish or increase. Fluctuation may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially. Levels and basis of taxation may change from time to time and depend on personal individual circumstances.

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